

# MPC general guidelines

- *Address areas that resulted in other than low risk or a color rating of at least green*
- *Even for areas that are green or blue and low risk, if there is something that stands out from DCAA information or a weakness that you think significant, address this*
- *The discussion should be at a global level - address the areas that are either significant and/or that will really make a difference*
  - *Detailed calculations should not be included on the briefing slide - tell the decision maker what went into the analysis and the end result that came out*
  - *Discuss how this differs from the other offerors - are the wages lower, higher, the same? Is the approach different in terms of skill or hours and did this contribute to any cost differences?*

# MPC: Offeror A Technical Capability Area

Offeror failed to address staffing for TCC and understaffed NCC...

Impact (without efficiencies) would be approx. X personnel needed for TCC and X for NCC

At the minimum wage rate without any overhead application the cost impact to the proposal would be an additional XXXX

# MPC: Offeror A

## Transition

Offeror neglected to include personnel for  
Sensitive communications function

Impact (without efficiencies) would be approx. X  
personnel

At the minimum wage rate without any overhead  
application the cost impact to the proposal  
would be an additional XXXX

# MPC: Offeror A continued

Do other slides for other subfactors as needed to address MC areas that were rated less than low risk or other than green or blue

# MPC Offeror A: other issues

On this slide I would address the issues raised by DCAA

Include issues that span subfactors such as the fact they have never hired a person with a given skill and you are concerned they don't have clear picture on the real cost to hire (e.g. DMS, Sensitive Comm etc). No need to repeat anything already addressed.

# MPC Summary Offeror A

- Depending upon how many areas were addressed in the MPC you may want to make a table by area with the anticipated dollar impact. If there were only one or two issues, a summary statement is fine

# MPC continued

Complete an MPC for each offeror following the guidelines given

# MPC Summary

In a tablular format present the proposed price for each offeror by name and the MPC price

# Comparative Analysis of Offerors

You have already discussed the proposal and MPC adjustments for each offeror at this point, now you need to compare the price differences

This is where you will use summary information to explain the differences such as the chart you developed to show a summary of the labor hours to total cost and the non A-76 to A-76 costs

You do not have to re-discuss the labor, G&A, overhead etc. for each offeror - this where you need to be prepared to answer "why is C \$XM less than ? Why is E so high compared to everyone else? You may do this in the fashion that fits - category, clin etc.

You will also want to discuss the approaches to fee and share ratio through summary charts 9

# Cost Comparison statement examples

- Differences in price between offerors A, B and F are attributed directly to the level of personnel proposed
- Offeror B proposed the highest price which is driven directly by the staffing of 20% higher than the next highest offeror
- Offeror C proposed the lowest price by \$XXX even though they did propose more staff than Offeror B.

# Detailed Analysis

A more in depth analysis is required when you have an offeror that is significantly lower or higher in cost and also is one you wish to bring into the competitive range. The following slides provide a more detailed assessment of this type for an offeror that is lower in cost.

# Detailed Analysis of Cost for Offer A

## *Key points:*

The confidence in the price proposed by offeror C should be based on review of the approach proposed, the labor mix and rates paid. The SSA needs to know that we have confidence in what has been proposed, especially in a cost environment

In a comparative environment we would discuss the cost in relationship to not only the government estimate but the other offerors

Focus on the high risk, critical positions

Bottomline, tell the SSA what the lower dollars are directly attributed to

# Cost Analysis for Offeror A

*Looking at labor in the critical areas discuss the following:*

- *Did they propose wages that are in line with the salary paid by the company for those labor categories?*
- *Have they hired this type of skill before?*
- *If they have not hired this type of skill before, are the wages rates proposed realistic for the work?*
- *Have they applied the right type of skill and # of people in their approach? (since they are green, low this should be the case)*
- *Discuss how this differs from the other offerors - are the wages lower, higher, the same? Is the approach different in terms of skill or hours and*

# Cost Analysis of A

Discuss any cost impact of the G&A, overhead, profit as well.

You will not need charts addressing all the questions but rather a summary slide with the areas in which the lower costs lie and the notes pages to the briefing can address the details. You can also have backup slides. See the following slide as an example of what you might present .

# Cost Analysis of Offeror A

Offeror is \$X million lower than the next lower offeror this can be contributed to:

- Lower profit rate accounting for \$XM

- Lower overhead accounting for \$XM

Offeror actually is paying workers higher wages than competitors in critical areas of XXXX. Rates for other categories are at or above that of competitors and/or wage determination.

In areas where WD rates are proposed, these are not unreasonable wages for the skills in comparison to other offerors

Offeror has proposed a level of staffing that provides full confidence technical performance can be met

No issues with rates, G&A or overhead proposed

Offeror has past performance to support the ability to